

means a stepped-up embargo and working for a commitment from our allies to cut off Castro's economic lifeblood.

The ultimate solution to the refugee problem and the key to a free and democratic life for Cubans is not to bring them all to America. The solution is to bring Cuba out of the cold war by ending the regime of Fidel Castro. And that, Mr. Speaker, is the bottom line. Fidel Castro is still what is wrong. We cannot escape that fact, but we can help change it.

CONGRESS MUST SAVE STUDENT LOANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized during morning business for 5 minutes.

Ms. DELAURO. Mr. Speaker, today, House Republicans will release their long-awaited and overdue budget proposal. While much of the public attention has focused on the Republican plan to cut Medicare, there is another aspect of the plan that is equally troublesome. The GOP budget plan cuts \$12.4 billion over the next 5 years from the Stafford Student Loan Program. These cuts translate into the largest increase in college tuition costs in history.

In Connecticut, the Republican cuts in student aid would mean that 39,000 students would pay \$127 million more for college over 5 years. By eliminating interest-deferred Stafford loans, Republicans will add \$4,547 to the cost of an education for the average college student in Connecticut. Now, \$4,500 may not be much money to NEWT GINGRICH or DICK ARMEY, but I assure you that \$4,500 is plenty to working families in my district. It is plenty of money to Gail Baxter of West Haven, CT.

Just recently, I met Gail at a student loan forum I sponsored. Gail told me that she was worried about what cuts in student loan programs would mean for her family. And, it is no wonder she is worried. You see, Gail is a single mother who, in the fall of 1995, will have four children in college. That means four college tuitions. And, under the Republican plan, it means four increases of \$4,500. All totaled the Republican plan to cut student loans, could cost this working family nearly \$20,000.

But, any single mother who can get four children to college, is not someone who throws up her hands when faced with an obstacle. And, Gail Baxter wasn't about to take these student loan cuts sitting down. So, she got to work and started a petition drive. I told her if she collected the signatures that I would deliver them to the chairman of the House Budget Committee. In just a few weeks time, Gail collected the signatures of 630 parents, like herself.

The petition simply reads: We the undersigned oppose any attempts to cut

Federal student assistance that assist hard-working American families.

Like the parents who signed Gail Baxter's petition, students in my district are also concerned about cuts in student aid. They do not think it is right that government cut student loans in order to pay for another tax cut for the wealthy. And, they are right.

Students from Quinnipiac College in Hamden, CT, organized a letter writing campaign to bring their message to Congress. The wrote hundreds of letters to various leaders in Congress. Here is one sample from Laurel Drumm of Quinnipiac College. She writes:

Recent reports suggest you are considering the biggest cuts in the history of student aid. While we applaud congressional efforts for responsible deficit reduction, cuts in student aid just don't make sense. Student aid actually saves taxpayers money by stimulating economic growth, expanding the tax base and increasing productivity. That's why every major opinion poll shows strong support for student aid programs.

The cuts under consideration would increase the student loan indebtedness by up to 50 percent and reduce grants and work-study funding. The bottom line is these cuts will make a college education unobtainable for many of us.

The opportunity to go to college is a privilege that should be everyone's right. Please don't cut our future short. Don't cut student aid.

Mr. Speaker, student loans are the ladder to the American dream. Many of us in this body relied on student loans to pay for our educations. Let us not pull up the ladder of opportunity behind us. The Gail Baxters and the Laurel Drumms of the world are counting on us to do what is right and save student loans.

JOB SKILLS DEVELOPMENT ACT OF 1995

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Michigan [Mr. KNOLLENBERG] is recognized during morning business for 5 minutes.

Mr. KNOLLENBERG. Mr. Speaker, today I am introducing the Job Skills Development Act of 1995. This bill amends the Fair Labor Standards Act of 1938 to ease the restrictions on volunteers.

The FLSA requires covered employers to compensate individuals defined as "employees" according to mandatory minimum wage and overtime requirements. While there are exceptions to the employer-employee relationship for volunteers, the restrictions on permissible volunteer activities are excessively rigid.

As a result, individuals seeking to gain valuable work experience and exposure in a competitive profession by volunteering their services to an employer are often prohibited from doing so, even if the individual has no expectation of receiving compensation and adamantly denies that they are an employee.

When determining whether or not an individual is a volunteer and exempt from the minimum wage and overtime requirements of the FLSA, the Department of Labor and the Federal courts take into consideration the type of services provided by an individual, who benefits from the rendering of the services, and how long it takes to provide the services.

Because business-related services are not considered to be typical volunteer activities, individuals are often prohibited from volunteering their services to businesses in exchange for work experience.

The Department of Labor has carved out exceptions for student learners and trainees. However, if an employer gains an immediate advantage from the services provided by a volunteer, the Department of Labor will consider the volunteer to be an employee and require that the individual be paid the minimum wage.

The restrictions on volunteer activities are intended to safeguard against employer coercion. Protecting workers from unscrupulous employers is an important goal and must be preserved in our labor laws. However, the current immediate advantage test is too restrictive and should be altered.

The Job Skills Development Act eases the restrictions on volunteer activities without jeopardizing the important safeguards against employer coercion and worker displacement. These changes will help recent college graduates and individuals who have been out of the work force develop professional skills and gain experience.

Today, individuals face many obstacles in landing good jobs. Unfortunately, the FLSA imposes unnecessary burdens on ambitious individuals. Allowing businesses to provide opportunities for volunteers will benefit both employers and individuals attempting to break into a crowded job field.

Capitol Hill provides an excellent example of the benefits of allowing individuals to volunteer their services to employers. Young individuals participating in unpaid congressional internships gain a better understanding of the legislative process, develop office skills and make contacts that are invaluable in securing employment.

In my Washington office, six of my eight employees were unpaid interns before landing jobs on Capitol Hill. Two of my staffers volunteered in my office for several months before they were hired on as full-time paid employees. Both of these individuals have been promoted twice during the last year.

Because these two staffers were recent college graduates and produced work that benefited my office during their internships, they would have been prohibited from volunteering their services if I would have been forced to comply with the Fair Labor Standards Act.

On the opening day of the 104th Congress, we passed legislation that brings

us under the Nation's labor laws. The Congressional Accountability Act exempts interns from the employer-employee relationship covered by the Fair Labor Standards Act.

Mr. Speaker, Congress should give individuals attempting to gain competitive private sector jobs the same opportunities that individuals wishing to work on Capitol Hill have enjoyed for years. I urge my colleagues to support the Job Skills Development Act of 1995.

PRESERVE MEDICARE AND PROVIDE COVERAGE TO UNINSURED AMERICANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from California [Mr. STARK] is recognized during morning business for 4 minutes.

Mr. STARK. Mr. Speaker, Republicans talking about saving Medicare remind me of the man who murdered his parents and begged for mercy as an orphan.

They are making a blatant attempt to distract the public from a tax bill that takes \$87 billion out of the Medicare Part A Trust Fund over the next 10 years and gives it to the rich. And Republicans are crying crocodile tears about the trust fund being in danger?

"Hello, Earth to Republicans: Your hypocrisy is showing."

I urge Republicans to reread their views on last year's health reform bill. In that bill, Democrats saved the Medicare Trust Fund by getting all health spending under control. The billions we saved in Medicare helped the uninsured, expanded Medicare benefits and provided a prescription drug benefit for everyone. Democrats used Medicare savings to improve the entire health care system.

Where were the Republicans? They voted against any and all Medicare savings. In their dissent 10 months ago, they said "reimbursement levels * * * have reached potentially disastrous levels" and "additional massive cuts in reimbursement to providers * * * will reduce the quality of care for the Nation's elderly."

Now the militant radical right wants to cut three or four times more than we did. How can they now say it will not hurt quality?

NEWT can't reform the system with more managed care and vouchers. I rather resent Republicans suggesting that my mother and the Nation's seniors are either senile or so stupid that they will not see through his double-talk.

My mother knows that managed care costs more and means less choice of doctors and hospitals. My mother knows that Republican vouchers to buy private insurance will never be worth enough to pay for her health care. NEWT's plan to push America's seniors into plans with less choice—all the while saying he gives them more choice—is a dog that just will not hunt.

Republicans intend to disrupt people's health plans, force them into managed care, and they know it will save little or nothing. Last week, CBO said that Medicare spends more for HMO enrollees than had they remained in the fee-for-service sector—about 5.7 percent more. Until you Republicans know more about how to pay for seniors in managed care, you are just whistling in the dark, and playing fast and loose with a sacred trust.

We Democrats have always worked with responsible Republicans on ways to improve Medicare and reform the entire health care system. But \$300 billion in Medicare cuts for the sake of tax cuts for the rich will destroy not only Medicare, but the entire U.S. health care system.

We must not only preserve Medicare, but we must provide coverage to 47 million Americans who are today without coverage. You Republicans proved your political dominance over the House in the past 4 months. Now, why not show us you stand for something besides insurance company profits and tax cuts for the very rich. You are in complete control of this Congress and must be judged by your ability to legislate in the best interests of all Americans—not just white, rich, suburban radicals.

So let us get together and fix the "break" the way it ought to be fixed, with universal coverage and reform for all Americans.

THE PENSION PROTECTION ACT OF 1995

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from New Jersey [Mr. SAXTON] is recognized during morning business for 5 minutes.

Mr. SAXTON. Mr. Speaker, I am introducing a bill today which is known as the Pension Protection Act of 1995. I must say that usually I am pleased to introduce a bill. Today I say that I regret that it is necessary to introduce this bill. But it is, because when American workers get their check at the end of the pay period and they look at the check stub, they look to see, how much has been deducted for their contribution to their pension plan. And those pension plans have become very, very important, because those are essentially savings that the American worker is putting aside for his or her retirement.

The Clinton administration has been up to some mischief, I believe, that is destructive to that process. So the Pension Plan Act of 1995, which is co-sponsored by our leadership on the Republican side, and I certainly invite our Democrat friends to join with us as well, is an attempt to protect the American worker from the mischief of the Clinton administration.

It is interesting to note that something over \$3.5 trillion are in private pension funds today. This is the magnitude of the risk that has been

brought about by the Clinton administration. Why? Because the administration has targeted private pension funds as a new way to finance their liberal social agenda.

Faced with an angry revolt of voters last November against too much Federal spending, President Clinton and his Department of Labor are trying to use private pensions to do what they used to do through old fashioned taxing-and-spending. These social investments include: Public housing, infrastructure, and pork-barrel projects.

The administration has dubbed these social projects "Economically Targeted Investments" or ETI's, but I prefer to call them PTI's or "Politically Targeted Investments."

Let me emphasize that targeting private pension fund investments is a radical and dangerous idea. ETI's violate the clear mandate of the Federal law that Congress passed to protect private pensions—the Employee Retirement Income Security Act or ERISA—which requires that a pension fund manager must give complete and undivided loyalty to the pension beneficiaries.

Let me quote directly from ERISA: A pension fund manager must "discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and for the exclusive purpose of (I) providing benefits to participants and their beneficiaries; and (II) defraying reasonable expenses of administering the plan."

Besides ETI's obvious conflict with ERISA, the best economic research indicates that pension funds that target social investments produce below market returns.

The Clinton administration's ultimate objective is to establish an ETI quota for every private pension fund.

What Secretary Reich would make permissible today, will become compulsory tomorrow.

Today, I am introducing a bill that will protect the 36 million private pension participants from President Clinton's pension fund grab. My bill, the Pension Protection Act of 1995, will not alter the fiduciary duties laid out in ERISA. Instead, my bill will simply reiterate that the act means what it says, no more, no less.

ERISA could not be clearer. Trustees may not invest in ETI's because by definition ETI's seek to benefit someone other than solely the participants and beneficiaries of the pension plan; and ETI's pursue an objective other than exclusively the interest of the plan's participants and beneficiaries.

The security of our pension funds is no small issue. Every American who plans on retiring someday should be very concerned about that the Clinton administration is up to. I believe that if we act quickly, we can ensure that everyone working today can rest easier if my bill to protect their pensions is passed.